

Assembly
GOVERNMENT AFFAIRS COMMITTEE
MINUTES OF THE MEETING
MARCH 22, 1973

MEMBERS PRESENT: CHAIRMAN DINI
 VICE-CHAIRMAN ULLOM
 ASSEMBLYMAN BROOKMAN
 ASSEMBLYMAN MAY
 ASSEMBLYMAN GOJACK
 ASSEMBLYMAN FORD
 ASSEMBLYMAN GETTO
 ASSEMBLYMAN SMITH

ALSO PRESENT: SEE ATTACHED LIST

The meeting was called to order by the chairman.

All Assembly bills relating to the State Retirement System were under discussion.

AB 288* - Expands definition of "police officer" and "fireman" for purposes of Public Employees' Retirement System.

Mr. Hendrickson spoke on this bill voicing the support of all the employee groups. He suggested two amendments: Amend title by deleting "expands" and replacing it with "Restricts".; and on line 14 adding the words "full time". He also requested that a new section be added to include District Attorneys' investigator and narcotic investigators.

AB 203* - Restructures administrative organization of Public Employees Retirement System.

Mr. Gagnier told the committee that he and the other groups felt that AB 506 or SB 140 were much better bills and opposed this bill.

AB 506* Changes composition of Public Employees Retirement Board and provides for electing members.

Mr. Gagnier told the bill would provide for an elected board drawn from state employees, county employees, city employees, academic personnel and other city and county employees who were not included in other groups plus two elected state officials. He stated that they did not care which two elected officials.

The chairman asked if an election was possible which would give all employees a chance to vote.

Mr. Gagnier said that most of the employees were associated with one of the groups and he felt that all employees would have a chance to vote. One important thing Mr. Gagnier pointed out was that the board should not be made up of persons who were within 5 years of retirement as they had different interests in the retirement system than the employees who are in the midst of their career or just starting as state employees.

Mr. Morgan told the committee that it was felt that an elected board would have greater accountability than an appointed board.

* - see exhibit I

Assemblyman Ullom asked if the categories of employees were firm. Mr. Morgan told the committee that the principal of election of the board was the important issue.

Mr. Buck told the committee that he opposed the bill completely. He stated that, at present, the board was composed of persons who possess expertise and he did not feel that elected officials would provide this knowledge. He stated that an employee dominated board would be benefit oriented.

Assemblyman Smith pointed out that a Resolution had been introduced to abolish the office of State Controller.

Assemblyman Ullom asked how many states have an elective board.

Mr. Morgan said that most of the western states operate with an elected board. Mr. Taylor told the committee that the board only follows the statutes enacted by the Legislature and therefore he did not feel that they could destroy the system.

Assemblyman Getto stated that since the Retirement System belonged to the state employees and he felt they should have some say in the way the system operated.

Mr. Reems stated that the Retirement Fund belonged to all the people in the state.

Assemblyman May pointed out that part of the money in the fund belonged to the employees directly.

Mr. Reems said that the money in the fund had to be protected.

Mr. Morgan said he fully agreed and that this would be done by audits.

Mr. Edwards told the committee he felt that the one group that was overlooked was the retired employee.

Mr. Morgan said he agreed.

Mr. Gagnier said he felt that the board should be increased to include a retired employee representative.

AB 489* - Allows members of Public Employees' Retirement System to borrow from contribution accounts in emergencies.

Mr. Morgan told the committee that it was the general feeling that this measure should be studied more closely.

Mr. Anderson told the committee that he opposed this bill. He stated he did not have the administrative staff to handle such work.

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AB 636 - Requires refund of contributions to public employees retirement system if employee fails to become eligible.

Mr. Morgan stated that the bill was opposed by the groups of public employees. If an employee fails to become eligible the employer would get his money back.

Mr. Presnell told the committee that this bill was improperly drafted and did not do what it was meant to do.

AB 649 - Allows retired public employee to have insurance premium deducted from retirement payments.

Mr. Morgan explained that this would grant the same privilege to all public employees that state employees now have.

Mr. Wooster spoke in favor of this bill.

Assemblyman Smith asked if this could not be accomplished by administrative decision.

Mr. Anderson said he thought he needed legislation and then by administrative decision he could make numerous deductions from retirement checks to cover medicare, etc.

Assemblyman Brookman moved "AMEND AND DO PASS".
Assemblyman Smith seconded the motion.
The motion carried unanimously.

Assemblyman Smith will see what amendments are necessary for the bill so that deductions can be made for numerous purposes.

✓ Assemblyman May moved "INDEFINITE POSTPONEMENT ON AB 203-
AB 486 - AB 528 -".

Assemblyman May seconded the motion.
The motion carried.

Assemblyman Gojack moved that AB 489 be kept in committee for further study.
Assemblyman May seconded the motion.
The motion carried.

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AB 508* Permits public employers to pay all contributions to *employers*
Public Employees' Retirement System as fringe benefits.

Mr. Gagnier told the committee that this was permissive legislation and would make the matter open to negotiation.

Mr. Buck told the committee he opposed this bill completely.

Mr. Swaine told the committee that the financial impact on local entities could be too much to handle. He opposed the concept.

Mr. Meder told the committee that he felt that the counties could not handle this amount of financial burden.

Mr. McErchern told the committee that it would not be permissive if the factfinders ruled in favor of it.

Assemblyman Getto moved that AB 514 be "INDEFINITELY POSTPONED".
Assemblyman May seconded the motion.
The motion carried unanimously.

AB 539* Supplements retirement incomes for public employees who retired prior to December 1, 1963.

Mr. Perry told the committee that there was a ceiling on the amount of money persons who retired prior to December 1, 1963 could receive and these people were not receiving enough money to live on. He stated that the bill should be amended on line 25, page 1, to December 31.

Assemblyman Ford asked if the amount of money requested would come out of the budget presented by the Governor.

Mr. Perry said no, a special appropriation would have to be made. Assemblyman May moved "AMEND AND DO PASS AND RE-REFER TO WAYS AND MEANS".

Assemblyman Brookman seconded the motion.
The motion carried unanimously.

AJR 10 of the 56th Session - Proposes to amend the Nevada Constitution by declaring moneys paid into Public Employees' Retirement Fund are trust funds.

Mr. Morgan stated that all groups support this measure.

Mr. Anderson said the Retirement Board supports this measure.

Assemblyman Brookman moved "DO PASS".
Assemblyman Ford seconded the motion.
The motion carried unanimously.

see Attachment I

Assembly

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COMMITTEE ACTION

Assemblyman Ullom moved AB 342 be given an "AMEND, DO PASS AND HOLD"
Assemblyman Gojack seconded the motion.
The motion carried unanimously.

Assemblyman May moved AB 383 be given a "DO PASS".
Assemblyman Gojack seconded the motion.
The motion carried unanimously.

Assemblyman Ford moved AB 241 be given an "AMEND, DO PASS AND HOLD"
Assemblyman Gojack seconded the motion.
Assemblyman Brookman did not vote.
Assemblyman May voted NO.
The motion carried.

Assemblyman May moved AB 214 be "INDEFINITELY POSTPONED".
Assemblyman Getto seconded the motion.
The motion carried.

Assemblyman Smith moved SB 172 be given a "DO PASS".
Assemblyman Getto seconded the motion.
The motion carried unanimously.

Assemblyman Brookman moved AB 288 be given a "DO PASS".
Assemblyman Ullom seconded the motion.
The motion carried.

Assemblyman May moved that AB 123 be "INDEFINITELY POSTPONED"
Assemblyman May seconded the motion.
The motion carried.

Assemblyman Gojack moved that AB 325 be "INDEFINITELY POSTPONED".
Assemblyman Ullom seconded the motion.
The motion carried unanimously.

Assemblyman Brookman moved that AB 392 - AB 524 - Ab 508 - AB 522
be "INDEFINITELY POSTPONED".
Assemblyman May seconded the motion.
The motion carried.

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Assemblyman Smith moved to reconsider AB 298.
Assemblyman Ford seconded the motion.
The motion carried.

Assemblyman Smith moved to reconsider AB 229.
Assemblyman Ullom seconded the motion.
The motion carried.

DATE: January 22 1973

NAME	DESIRE TO TESTIFY	BILL #	REPRESENTING
JIM GIST	?	ALL RETIREMENT BILLS	CLV EMPLOYEES ASSN
JOHN MURCHIE	?	"	CNLV EMP ASS'N
WAYNE R SILLITOE	NO	"	HENDERSON CITY EMP
Harvey Sanders	NO		Mark C Schools
Robert L. Griffin	NO		Public
Ed Green		Retirement Bills	Public Sch. & Diet
Willard B. Hunter	NO	"	Public
R L Hansen	NO	40	Harris, Law Justice & Cong
Erna Foster	Yes	539	NRTA + AARP
Mary B. Berryman	NO	539	NRTA - AARP
Mobelle Cannon	NO	539	NRTA AARP
Neil Lund	no	All	NRTA AARP Joint Legislat.
Targret Pilkington	No	All	NRTA-AARP Joint Legislat. Comm.
BOB KERNS		All	PEACE OFFICERS & FIREFIGHTERS
Bob Hoar	YES	ALL	SNEA
Small D. Lindner	Possible	All	PERB
Clarence D. ...		505	PERB
Ann ...			PERB

DATE: _____

NAME	DESIRE TO TESTIFY	BILL #	REPRESENTING
Clark R. Charles	✓	Referenced	P. E. R. B.
James H. Lucciano	✓	Referenced	P. E. R. B.
Richard J. Morgan	✓	all det. P. 11	A - FA
John Perry	✓	539	NRTA - ARRP
Ernie Cooper	✓	539	" "
Allen Marie Smith		530 det.	M. P. T. G. Las Vegas
Wallace T. Robertson	11	all det. 1113	Ret.
N. Robertson	no	-	
Ed Seymour Brown	No	Ret Bill	Las Vegas Police Dept.
Bill Dress	No	Ret Bill	Las Vegas Police
Jack R. Pettit	No		Clark County
Frank Blankschip	No		Clark County
Richard Dewar			Revised - Jundel - Silver C.

RETIREMENT BILLS
(as of March 11)

Young

SENATE

- SB 135 Policy (philosophy) of retirement system.
- SB 140 Investment restrictions removed.
- SB 142 Continue study of the retirement system.
- SB 161 Qualifications of executive secretary of PERS; investment committee.
- SB 303 Include Municipal Association Employees in retirement system.
- SB 321 Exempts firemen from current requirements re disability under PERS.
- SB 358 Changes formula for calculating post retirement benefits.

ASSEMBLY

- AB 123)
- AB 288) These bills expand definition of fireman and policeman and add
- AB 328) persons qualified to obtain early retirement benefit.
- AB 392)
- AB 526)

- AB 203 Qualifications for executive secretary; composition of retirement board;
- prudent man investment rule; creates advisory committee of employees.
- AB 242 Reorganization of PERS (Governor's Reorganization Bill)
- AB 506 Elect PERS Board.

- AB 486 Disability.
- AB 528 Bills.

- AB 489 Borrow from contributions.
- AB 508 Employer may pay all contributions to PERS.
- AB 514 Changes survivor benefits.
- AB 522 Base retirement on last six years average salary.
- AB 539 Supplement pre 1963 retirement income.
- 7 AB 543 Repeals compulsory retirement.

RETIREMENT BOARD, ORGANIZATION AND STAFF.

Current Law NRS 286.

Bills touching these issues:

AB's 203, 242, 506;
SB's 135, 161.

SB 135 establishes a philosophy (policy) of retirement. Idea recommended by interim study firm.

SB 161 an organizational plan -- from the interim study firm. Includes: five-person board, appointed by governor, governor may remove board member for cause; executive officer in unclassified service, must have business degree, five years experience, subordinate retirement staff organized in four units, annual audit by CPA; retirement board must employ a consulting actuary for annual evaluation, and report annually to each PERS member; establishes an investment committee comprised of two board members, executive officer and investment counselor who meet twice each month to review and invest.

AB 203. (a) Seven-person board, appointed by Governor, serve at his pleasure; two members of the system, two CPA's, three investment experience. (b) Executive secretary, serving at pleasure of the board, masters degree, investment experience. (c) Prudent man rule investment. (d) An advisory committee of public employees.

✓ AB 242

- (a) Merges personnel and retirement divisions under finance director;
- (b) Places retirement chief in classified service;
- (c) Retirement system to be administered by Board rules and regulations and the administrative supervision of the Finance Director;
- (d) Five-member board appointed by governor -- two ~~not~~ in PERS, three in PERS.

AB 506 Seven-person retirement board; five members elected by and from employee group classes.

Legislative Issues or Points of Controversy:

1. Retirement chief staff employee-classified or unclassified;
2. Board appointed or elected;
3. Qualifications for chief staff officer and organization of the staff;
4. Consulting actuary and CPA annual audit mandates;
5. Investment committee from board members and employees.

3/13/73

EARLY RETIREMENT

Current Law NRS 286.510

- A. Police, fire retire at age 55, 10 years service, 1/4 salary
All others retire at age 60, 10 years service, 1/4 salary
- B. Police, fire retire at age 50, 20 years service, 1/2 salary
All others retire at age 60, 20 years service, 1/2 salary
- C. All retire at age 55, 30 years service, 65% final salary.

Legislative Issue or Points of Controversy

- 1. Currently in bill form AB's 123, 288, 325, 392, and 526 would expand early retirement of police and firemen to narcotics division, game wardens, taxicab and brand inspectors and various others (AB 288).
- 2. All employee groups desire early retirement. Those without specific bill requests have waited for new computer data actuarial study re cost of benefit.

INVESTMENTS OF RETIREMENT FUNDS

Current Law NRS 286.

Interim Retirement Study recommends removal of the statutory provisions limiting investments and recommends substitution of the "prudent man rule" for investment.

Enabling bills touching on this area are AB 203 and SB 140.

The \$200 million Retirement Fund has earned at approximately 4%. Earnings at 6%, far more possible if the statutory restraints are removed, would add \$4 million to the fund each year, thereby reducing the necessity for government or employees to make greater contributions.

Legislative Issue or Point of Controversy

Desirability of relaxing investment restraints.

CONTINUE STUDY OF THE RETIREMENT SYSTEM

SB 142 Recommendation of the study firm in the interim report.

Study to include:

- (a) formulation of legislative policy;
- (b) accomplishment of fiscal integrity;
- (c) planning to eliminate the unfunded liability;
- (d) recommendations for statutory changes;

Bill would also declare a moratorium on any change in benefits until 1975;

Between 1973-75 costs of proposed benefits would be analyzed and present inequities reviewed;

Directs Retirement Board to pay the cost of continued study. (Contributions.)

Since the Interim Study was presented the Retirement Board, at the request of the public employee organizations, has obtained new actuarial data.

The actuarial basis for projecting a moratorium on benefit changes and significantly increased contribution schedules was based on three assumptions:

- (a) continue to earn 4% on investment;
- (b) total elimination of the unfunded liability;
- (c) closed group (present employees must contribute what is necessary to pay current retiree benefits as well as retirement benefits for themselves.

The new actuarial data is based upon different assumptions:

- (a) ~~EARN~~ 6 or 7%;
- (b) stabilize but do not try to eliminate the unfunded liability;
- (c) an open group -- future government employees contributions help pay benefits for current employees.

Based upon these assumptions, costs for various benefit changes were determined.

Legislative Issues or Points of Controversy

1. Is continued study by an independent study firm necessary?;
2. Is a moratorium on benefit changes and significantly increased contributions necessary?;
3. Based upon the new data (same actuary) can benefits be increased with increase in contributions?

SB321 - Would eliminate the 90 day waiting period for disability retirement for firemen. Would waive six month employment period for firemen.

AB486 - Would provide police and firemen with a 65% disability retirement for on-the-job injuries starting with the first day of employment. Would provide police and firemen with 40% disability retirement for off-the-job sickness or injuries after one year of employment.

AB514 - Would provide widow with 2/3 of the member's salary if the member died in course of duty. Would provide a widow with 50% of the member's salary if the member died while eligible to receive a service retirement allowance or if the member was receiving a retirement allowance. Would provide widow with 40% of the member's salary if the member died after one year of service for non job related reasons. Also provide increased benefits for surviving children.

AB528 - Would provide police and firemen with immediate disability retirement for on-the-job injuries and off-the-job disability after six months of employment and increase disability benefits for such officers including 100% of salary for the first year.

Legislative Issues or Points of Controversy

What can the system afford?

What is actuarial projection of cost?

ASSEMBLY

AGENDA FOR COMMITTEE ON GOVERNMENT AFFAIRS

Date 3/13 Time 2:00 PM Room 214

Bills or Resolutions
to be considered

Subject

Counsel
requested*

A. B. 372

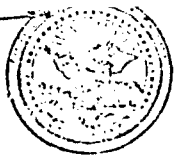
SUMMARY—Regulates admission fees charged by adult motion picture theatres. Fiscal Note: No. (BDR 20-1055)

A. B. 383

SUMMARY—Permits zoning restriction for adult bookstores or adult motion picture theatres. Fiscal Note: No. (BDR 22-1054)

A. B. 476

SUMMARY—Enlarges powers of Virginia City historic district commission. Fiscal Note: No. (BDR 33-1212)



STATE OF NEVADA
PUBLIC EMPLOYEES RETIREMENT BOARD

P.O. Box ~~1549~~ 1549
CARSON CITY, NEVADA 89701

BOARD
ELBERT B. EDWARDS
CHAIRMAN
BOULDER CITY
ROBERT C. WECMS
VICE CHAIRMAN
RENO
CLARENCE SWAIN
ELY
JAMES H. SULLIVAN
RENO
DONALD L. REAM
LAS VEGAS

DONALD D. ANDERSON
EXECUTIVE SECRETARY

PERSON TO PERSON COMMUNICATION
GENERALLY UNNECESSARY

STATE OF NEVADA
ANNUAL IMPACT ON PUBLIC AGENCY BUDGETS OF PERCENTAGE
INCREASES IN EMPLOYER CONTRIBUTION RATES TO THE
PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE FISCAL YEAR 1973-74

STATE OF NEVADA	1/4 %	1/2 %	3/4 %	1 %	1-1/4%	1-1/2%
University of Nevada	\$ 40,000	\$ 80,000	\$120,000	\$160,000	\$ 200,000	\$ 240,000
Highway Department	45,000	90,000	135,000	180,000	225,000	270,000
Employment Security	15,000	30,000	45,000	60,000	75,000	90,000
Motor Vehicle Dept.	12,500	25,000	37,500	50,000	62,500	75,000
State Prison	6,750	13,500	20,250	27,000	33,750	40,500
Nev. Industrial Comm.	3,750	7,500	11,250	15,000	18,750	22,500
Miscellaneous Agencies	87,000	174,000	261,000	348,000	435,000	522,000
Total State Costs	\$210,000	\$420,000	\$630,000	\$840,000	\$1,050,000	\$1,260,000

COUNTIES

Churchill(all agencies)	\$ 4,250	\$ 8,500	\$ 12,750	\$ 17,000	\$ 21,250	\$ 25,500
Clark " "	62,000	124,000	186,000	248,000	310,000	372,000
So. Nev. Memorial Hosp.	20,000	40,000	60,000	80,000	100,000	120,000
Douglas	3,000	6,000	9,000	12,000	15,000	18,000
Elko (all agencies)	4,000	8,000	12,000	16,000	20,000	24,000
Esmeralda	500	1,000	1,500	2,000	2,500	3,000
Eureka	500	1,000	1,500	2,000	2,500	3,000
Humboldt (Incl. Hospital)	2,000	4,000	6,000	8,000	10,000	12,000
Lander " "	1,500	3,000	4,500	6,000	7,500	9,000
Lincoln " "	1,000	2,000	3,000	4,000	5,000	6,000
Lyon (all agencies)	2,000	4,000	6,000	8,000	10,000	12,000
Mineral " "	3,000	6,000	9,000	12,000	15,000	18,000
Nye " "	3,250	6,500	9,750	13,000	16,250	19,500
Carson-Tahoe Hospital	2,750	5,500	8,250	11,000	13,750	16,500
Pershing (Incl. Hospital)	1,250	2,500	3,750	5,000	6,250	7,500
Storey	500	1,000	1,500	2,000	2,500	3,000
Washoe	22,750	45,500	68,250	91,000	113,750	136,500
Washoe Medical Center	20,500	41,000	61,500	82,000	102,500	123,000
White Pine (Incl. Hosp.)	2,750	5,500	8,250	11,000	13,750	16,500
Total County Costs	\$157,500	\$315,000	\$472,500	\$630,000	\$ 787,500	\$ 945,000

MISC. SMALL AGENCIES	\$ 10,000	\$ 20,000	\$ 30,000	\$ 40,000	\$ 50,000	\$ 60,000
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SCHOOL DISTRICTS

Churchill	\$ 6,000	\$ 12,000	\$ 18,000	\$ 24,000	\$ 30,000	\$ 36,000
Clark	150,000	300,000	450,000	600,000	750,000	900,000
Douglas	3,500	7,000	10,500	14,000	17,500	21,000
Elko	7,500	15,000	22,500	30,000	37,500	45,000
Esmeralda	250	500	750	1,000	1,250	1,500
Eureka	500	1,000	1,500	2,000	2,500	3,000
Humboldt	3,000	6,000	9,000	12,000	15,000	18,000

<u>SCHOOL DISTRICTS</u>	<u>1/4 %</u>	<u>1/2 %</u>	<u>3/4 %</u>	<u>1 %</u>	<u>1-1/4%</u>	<u>1-1/2%</u>
Boulder	\$ 1,750	\$ 3,500	\$ 5,250	\$ 7,000	\$ 8,750	\$ 10,500
Lincoln	1,750	3,500	5,250	7,000	8,750	10,500
Lyon	5,000	10,000	15,000	20,000	25,000	30,000
Mineral	4,000	8,000	12,000	16,000	20,000	24,000
Nye	2,250	4,500	6,750	9,000	11,250	13,500
Carson City	7,500	15,000	22,500	30,000	37,500	45,000
Pershing	1,250	2,500	3,750	5,000	6,250	7,500
Storey	250	500	750	1,000	1,250	1,500
Washoe	55,000	110,000	165,000	220,000	275,000	330,000
White Pine	5,500	11,000	16,500	22,000	27,500	33,000
Total Cost to Schools	\$255,000	\$510,000	\$765,000	\$1,020,000	\$1,275,000	\$1,530,000

CITIES

Boulder	\$ 1,750	\$ 3,500	\$ 5,250	\$ 7,000	\$ 8,750	\$ 10,500
Caliente	250	500	750	1,000	1,250	1,500
Carlin	500	1,000	1,500	2,000	2,500	3,000
Carson City	4,250	8,500	12,750	17,000	21,250	25,500
Elko	2,250	4,500	6,750	9,000	11,250	13,500
Ely	750	1,500	2,250	3,000	3,750	4,500
Fallon	1,000	2,000	3,000	4,000	5,000	6,000
Gabbs	125	250	375	500	625	750
Henderson	5,000	10,000	15,000	20,000	25,000	30,000
Las Vegas	42,500	85,000	127,500	170,000	212,500	255,000
North Las Vegas	13,250	26,500	39,750	53,000	66,250	79,500
Pahr	25,750	51,500	77,250	103,000	128,750	154,500
Sparks	7,000	14,000	21,000	28,000	35,000	42,000
Wells	250	500	750	1,000	1,250	1,500
Winnemucca	875	1,750	2,625	3,500	4,375	5,250
Yerington	250	500	750	1,000	1,250	1,500
Total Cost to Cities	\$105,750	\$211,500	\$317,250	\$423,000	\$528,750	\$634,500

TOTAL COST OF ALL
AGENCIES

\$738,250. \$1,476,500. \$2,214,750. \$2,953,000. \$3,691,250. \$4,329,500.



STATE OF NEVADA
 PUBLIC EMPLOYEES RETIREMENT BOARD
 P.O. Box 1569
 CARSON CITY, NEVADA 89701

STATEMENT AS OF DECEMBER 31, 1972

Value of total fund in stocks and bonds (at cost).

\$ 186,000,000.00

Income earned by fund (on an annualized basis).

\$ 10,000,000.00

Rate of return - 5-3/8%

Amount in common stocks in the fund at year end.

\$ 47,000,000.00 at market value ✓

\$ 36,000,000.00 at cost ✓

\$ 11,000,000.00 unrealized appreciation ✓

Total investment return* on common stocks in the fund in

1972 - 28.9%

Total investment return* on common stocks expressed as an annual rate of compound interest for the 5-1/2 years from

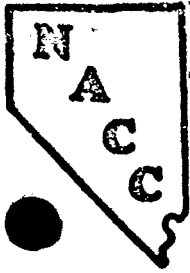
July 1, 1967 to December 31, 1973 - 11.7%

*July 1967
 Dec 31 1973
 11.7%*

*Total investment return is defined as dividends received plus the change in market value (whether realized or unrealized) over the period.

SCUDDER, STEVENS, & CLARK

Richard J. Dunn
 Richard J. Dunn, Vice President
 March 22, 1973



OFFICE OF EXECUTIVE SECRETARY

John L. Meder

March 22, 1973

TO: Mr. Joseph Dini, Chairman
Government Affairs Committee

FROM: John Meder, Executive Secretary
Nevada Association of County Commissioners

Subject: AB123, AB 328, AB392, AB 526, AB486, AB 528

The Nevada Association of County Commissioners has taken the position concerning the Public Employees Retirement System that;

1. All members be allowed the same benefits; or
2. That special interest groups be organized within the system to be actuarially sound from their own members' contributions, together with no greater percentage contribution from the governmental entity than is contributed to any other group.

The concern being that many employees are actually subsidizing the special interest groups, so they can receive special benefits.

The bills listed above appear to fall into the category of special interest groups. The Association members would respectfully request that careful consideration be given these bills to insure that special favors are not given to certain classes of employees at the expense of others.

This is especially important at this time due to the concern about the ability of the Public Employees Retirement System to continue to provide benefits over a long period of time.

enc.

RESOLUTION
EQUALIZATION OF RETIREMENT BENEFITS
AND CONTRIBUTION BETWEEN CLASSES OF
PUBLIC EMPLOYEES

WHEREAS, allowing special interest group retirement benefits that are disproportionate between members of the Public Employees Retirement System will require an increase in the contribution of all members of the Public Employees Retirement System; and,

WHEREAS, this increased contribution will constitute a subsidy to those special interest groups.


NOW, THEREFORE, BE IT RESOLVED, by the membership of the Nevada Association of County Commissioners at their 1972 Annual Conference in Fallon, Nevada, that the Legislature be petitioned to:

1. Amend the Public Employees Retirement System to allow the same benefits for all members, or
2. Amend the Public Employees Retirement Act so that each special interest group be organized within the Public Employees Retirement System to be actuarially sound from their own members' contribution, together with no greater percentage contribution from the governmental entity than is contributed to any other employee group.

BE IT FURTHER RESOLVED, that this Resolution be spread upon the minutes of the Annual Meeting and a copy transmitted to each member of the Legislature and all other employee group organizations within the Public Employees Retirement System.

PASSED AND ADOPTED unanimously this 2nd day of December, 1972.

NEVADA ASSOCIATION OF COUNTY COMMISSIONERS

by 
 President

ATTEST:

ASSEMBLY

H E A R I N G

COMMITTEE ON GOVERNMENT AFFAIRS

Date 3/22 Time 1:15 Room 214

Bill or Resolution
to be considered

Subject

ALL BILLS DEALING WITH NEVADA STATE
EMPLOYEES RETIREMENT SYSTEM.